

**MINUTES OF THE
BOARD OF BUSINESS AND ECONOMIC DEVELOPMENT
March 10, 2005 Meeting**

Members Present:	Ted Smith, Barbara Zimonja, David Simmons, Karen Alvey, and Kenneth Woolley
By phone—	Ed Ekstrom, Richard Nelson, Joel Bradford, DelLoy Hansen, Bill Boyle
Members Absent:	Jane Shock, Cliff White, Mark Howell, and Jerry Oldroyd
Visitors:	Brice Wallace, Jeff Edwards, Lesley Mitchell, Nancy Dalton, Stephanie Frohman, Kristy Bastian
Staff:	Tamee Roberts, Connie Gates, Stan Nance, Martin Frey, Ladd Christensen, Annette Babisz, Dick Bradford, Todd Hauber, Tracie Cayford, Kelly Day, Tom Harper, Gloria Talebreza, Thamina Sbai, Jerrold Jensen, Jeremy Nelson, Jim Bunger, Chad Davis, Inge Krogue, Ed Meyer, Mark Bedel, Fred Lange, John Kwon, Mike Keene

Welcome

Chairman David Simmons welcomed the DBED Board, staff, and guests and called for a motion to approve February minutes.

MOTION: Barbara Zimonja motioned to approve February 17, 2005 minutes and Ted Smith seconded the motion. Motion carried unanimously.

Committee Reports

Incentives Committee

Barbara Zimonja reported the motion coming from the incentives committee is just an adjustment for a previous award. The board was reminded of the confidentiality of the company name, where it is going, and that it's a rural proposal.

MOTION: Barbara Zimonja motioned to approve for project blanket: \$2,200 per new employee position for a maximum incentive of \$249,800 on a post performance basis for 134 new full time employee positions over five years with a salary meeting or exceeding 125% of the county median wage. This incentive is an upward adjustment of the previous award and \$249,800 represents the total award available to the company from the IAF, if the addition of 65 employees is created in Utah. The previous award of \$151,800 for 69 FTE is still offered to the company if the new application of 65 FTE is not realized in Utah. The company must commit to keep operations in Utah for five years. Kenneth Woolley seconded the motion. Motion carried.

Chairman Simmons reported on Legislation that restructured the former DBED and the Department of Community and Economic Development that was addressed in the last board meeting. Ladd Christensen and Martin Frey offered further comments that they had from DBED's viewpoint. Most importantly, Chairman Simmons summarized that the changes create effectiveness by creating a new office of economic development as a part of the Governors Office with a Director of that office. The former Division of Bus and Economic Development is now a function of that office and the co-directors, by statute will report to the Director of the Office of Economic Development. This technically takes place July 1, 2005. As it relates to the DBED Board the primary changes by statute reflect the fact that the board is to be advisory in nature and is to advise the Office of Economic Development in the same areas that have been in the past. The board retains its policy-making role in approving of the incentives grants falling under the fund.

Division Report (*power point presentation attached*)

Martin Frey and Ladd Christensen welcomed everyone and presented a second power point as a follow up of the last meeting's vision of "what we want DBED to be". The presentation today is to convey, "how we are going to get there", and to lay out a compass course to where we want to go. Mr. Frey emphasized that he wanted input from the Board and open communication. The focus is on creating companies, helping to grow existing companies, and recruiting new companies to the State. This will be accomplished in the areas of Cluster Development, Centers of Excellence Program, Capital Formation, Entrepreneurial Development, and Technology Parks.

Chairman Simmons thanked Ladd and Martin for enlightening the board and addressed issues of staffing to carry out the new plan. Mr. Christensen suggested the need for everyone to arrive at the same strategies first and then make decisions. He noted there are several new individuals who have been brought in to begin the plan. Mr. Frey asked the board to give their input and recommendations. Jerry Oldroyd pointed out the need to establish some sort of contractual relationship with EDCU to begin working with its staff. The issue will be addressed in the next board meeting.

Chairman Simmons asked Richard Nelson to present several resolutions regarding house and senate bills affecting the board. Richard Nelson motioned to give full support of the Huntsman Administrations efforts on HB109, which will increase IT efficiencies throughout the state and provide greater better benefits and services to state agencies, which will save millions of tax dollars.

MOTION: Jerry Oldroyd moved to approve the motion and Debra Tanzi seconded the motion; motion carried.

MOTION: Richard Nelson motioned for a resolution to support HB313 Centers of Excellence increase in funding; Cliff White seconded the motion; motion carried.

MOTION: Ted Smith motioned for a resolution to oppose SB11; Debra Tanzi seconded the motion; motion carried.

MOTION: Richard Nelson motioned for a resolution to support HB116 PAB; Cliff White seconded the motion; motion carried.

MOTION: Jerry Oldroyd motioned for a resolution to support HB11 Enterprise Zone (Aeronautics); Ted Smith seconded the motion; motion carried.

MOTION: Ted Smith motioned for a resolution to support HB17 Film commission support for 3M funding of the commission; Cliff White seconded the motion; motion carried.

MOTION: Ted Smith motioned for a resolution to support the change related to the IAF in SB232; Debra Tanzi seconded the motion; motion carried.

MOTION: Cliff White made a motion recommending that David Simmons give legislative input to HB 315 with its reference to the board. Chairman Simmons agreed and will also get a copy for everyone to see. Jerry Oldroyd seconded the motion; motion carried.

Other Business

April 14, 2005 Agenda:
Approval of March, 2005 minutes
Committee Reports
Division Report

With no further business to take care of, Chairman Simmons adjourned the meeting.